has duped thousands of investors in the form of fixed deposits running into crores by closing all its offices across the country in September, 1998; and

(b) if so, whether Finance Ministry, RBI and other Government agencies have been informed of the incident and if so, the action taken/being taken by Government to trace the company and return the hard- earned money of its investors?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) The Securities and Exchange Board of India (SEBI), which regulates collective investment schemes (CIS), *vide* its press release dated November 26, 1997 and its public notice dated December 18, 1997, directed existing schemes to file the details of their schemes with SEBI. According to information filed by M/s. Perutek Services Ltd., it had collected a sum of Rs. 1.897 crores from investors. Further, according to the information collected by SEBI, the company closed its offices sometime in early October 1998.

SEBI's letter dated December 10, 1999, asking M/s. Perutek Services Ltd. to apply for registration or to take steps for winding up of their schemes to repay their existing investors, and letter dated December 29, 1999 advising them to wind up their schemes to repay their investors, as also investors grievances forwarded to the entity were returned un-delivered.

M/s. Perutek Services Ltd. is a respondent in a writ petition filed in the Delhi High Court. The Court has *inter-alia*, restrained them from selling, disposing of and/or alienating their immovable properties or parting with the possession of the same. Their directors have also been interdicted from transferring their immovable properties in any manner whatsoever. The Court also made it clear that its order will not come in the way of companies intending to refund the money to their investors.

Corruption case against Additional Commissioner income Tax M.P.

3280. MISS FRIDA TOPNO: Will the Minister of FINANCE be pleased to state:

(a) whether cases of corruption, malpractices and harassment to officials of the rank of inspectors by Additional Commissioner of Income Tax, M.P. has come to the notice of CBDT;

(b) if so, what are the details in this regard;

(c) what action Government propose to take/have taken against the said officer;

(d) the details in this regard; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI V. DHANANJAYA KUMAR): (a) to (e) A general complaint alleging misuse of official position and levelling certain other charges against one of the Additional Commissioners of Income Tax in M.P region was received in September, 1977. This complaint did not specifically mentioned cases of corruption, malpractices and harassment to officials of the rank of Inspectors. Since the complaint was of unverificable nature, no action was taken.

Utilisation of grant for West Bengal rural water supply

3281. SHRI DAWALAMA: Will the Minister of FINANCE be pleased to state the details of the projected proposal of utilising 50 million D.M. Grant meant for West Bengal Rural Water Supply dated 5th July, 1996 A/L 9366261?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): A Financing Agreement was signed on 5.7.96 for a grant of DM 50 million between Government of India and Government of FRG (KfW) for Rural Water Supply Project, West Bengal. Government of West Bengal entered into a Project Agreement/Separate Agreement with KfW on 24th July, 1996. The estimated cost of the project is Rs. 148.59 crores. About 170 villages in district Birbhum and 120 villages in district Purulia are proposed to be covered with drinking water facilities under the project, covering a population of 310184 and 148313 respectively in these districts. The year of commencement is 1996 and the terminal date of the agreement is 30.12.2002. As per Department of Drinking Water Supply, the actual expenditure incurred under the project upto 31.3.1999 is Rs. 1683.34 lakhs. It may also be stated that Project No. A/L 9366261 dated 23.7.96 relates to Basic Health Project in Maharashtra. The number and date for the West Bengal Rural Water Supply Project is A/L 9565672 dated 5.7.96.

Steps Taken by NABARD for improving Cooperative credit Institutions

3282. SHRI LAJPAT RAI: Will the Minister of FINANCE be pleased to state:

(a) whether it is necessary for NABARD to insist on State Government's